****

Overview Pastoral Staff Remuneration

While the stipend figures are a guide for churches it is important to work through with each pastoral staff member and see what is best for them to allow them to efficiency carry out the work they have been called too.

A pastoral staff person should have a remuneration package including the following components:

* Cash Stipend
* Housing provided or paid for (Church Manse, Rental, Housing Allowance)
* Employer contribution to Baptist Superannuation Scheme
* Mileage Reimbursement
* Ministry Enhancement Allowance
* Hospitality Allowance

In addition to the regular stipend there are a number of other payments or reimbursements that **may** be included:

**Telephone** – Reimbursement of telephone/internet rental and church related calls or the church paying for a mobile phone plan.

**Medical Insurance** – A Baptist Churches Southern Cross medical insurance scheme is available for pastors to join. It is a requirement of Southern Cross that the church offers this to staff and pays for the standard scheme and if the pastors would like to upgrade this they would pay the difference. Please note that a staff member can only be invited to join the scheme once.

**Short Term Charge Facility** – that is not taxed, which can be used for personal expenses. This is up to 5% of the annual stipend or $1,200 whichever is lower. This would be done in the form of a charge/credit card in the name of the church.

**Pastors Registration Fee –** The church could offer to pay the pastors registration fee in full or in part.

**Fuelcard –** Provision of a fuelcard which is paid for by the church.

**Pastors Sabbatical and Study Leave –** The criteria for this is set out in the Baptist Union Administration Manual Appendix 3-F.

**There are also other benefits which are available to Pastors**

**Pastors Car Fund –** This is afund for pastors to borrow for a vehicle at a good interest rate.

**Cell Phone Plan –** Family members can join the Two Degrees Plan as outlined on the Baptist Intranet.

**CSC Buying Group –** see the Baptist Intranet for more information

## Baptist Pastors Stipend Scale 2016/2017

June 2016

Pastoral Staff Remuneration

Amounts

Assembly Council agreed at the June 2016 meeting to recommend an increase of 1.6% which takes the standard 100% stipend to $48,819 per annum. The annual reimbursements have also had a small increase and are now Ministry Enhancement ($1930) and Hospitality ($1285).

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Pastor Category** |  | $ | Plus 10% | Plus 15% | Plus 20% | Plus 25% |
| Registered Sole or Associate Pastor | 100% | 48,819 | 53,701 | 56,142 | 58,583 | 61,024 |
| Non registered sole Pastor or Associate | 90% | 43,937 | 48,331 | 50,528 | 52,725 | 54,922 |
| Registered Assistant | 85% | 41,496 |  |  |  |  |
| Non Registered Assistant | 80% | 39,055 |  |  |  |  |

|  |  |
| --- | --- |
| **Explanation of Category** | |
| Senior Pastor | A person with other pastoral staff reporting to/through him/her. The plusages are to recognize the additional responsibilities with regard to other pastoral staff members. 10% would apply for up to 2 additional staff, whilst 25% could be for 8 or more. |
| Sole Pastor | Only pastoral staff person in the church |
| Associate Pastor | Similar responsibility levels to senior person but not “the boss” |
| Assistant Pastor | Lesser responsibilities and probably narrower focused |
| Registered | Person is participating in the Baptist Union Minister’s Registration arrangement |
|  |  |

***A Stipend*** is historically a living allowance by which the “employer” seeks to provide for the staff person the amount needed for them to live adequately according to the family needs. Over the generations it has morphed more into a salary type arrangement, and churches in our system are always free to negotiate with their staff their own remuneration packages. When this happens church leadership groups could take into account such things as qualifications and experience, length of service, regular appraisals of performance and responsibilities.

**Housing**

The addition to the above cash stipend for housing can come in one of three ways:

* The provision of a church owned manse
* The church rents a house for the Pastor as a manse
* The church pays an agreed cash housing allowance. In this case the recommendation is as a guideline to determine the level by getting the average rental figure for a manse equivalent house (i.e. 3 bedrooms and preferably a separate living area) in the area of the church. This can be found by going to the following website:

[www.tenancy.govt.nz](http://www.tenancy.govt.nz)

**Mileage Reimbursement**

For a number of years we have recommended a mileage reimbursement rate based on a combination of what the Inland Revenue Department recommend and what AA New Zealand recommend and a certain number of km’s travelled over a year.

I would like to recommend that the reimbursement calculation be based solely on what the IRD has set out.

This would therefore change to three ways you can now calculate the proportion of church use of your motor vehicle and be reimbursed based on:

* a mileage rate for distances of 5,000 km or less a year which would be **72 cents** per km.
* rates published by a reputable independent New Zealand source representing a reasonable estimate (for example New Zealand Automobile Association mileage rates), or
* actual cost.

The link for further information on this is:

[**http://www.ird.govt.nz/business-income-tax/expenses/mileage-rates/emp-deductions-allowances-mileage.html**](http://www.ird.govt.nz/business-income-tax/expenses/mileage-rates/emp-deductions-allowances-mileage.html)

Note: If you choose to pay the pastor's fuel card account (or portion thereof) as the 5% untaxed credit card equivalent of the Cash Stipend, then you still have to pay the full mileage reimbursement

**Use of Motor Cycle (small)**

Annual kms run on official business

0 to 6400 kms 18c per km; Over 6400 kms 15c per km

**Ministry Enhancement Reimbursement**

The amount is $1,930 per annum. Reimbursement may be made for expenses in respect of the purchase of books, magazines, subscriptions, computers & software, training courses, supervision, spiritual direction and the like. In essence, anything that both the pastor and the church agree will enhance the ministry of the pastor to the presumed ultimate benefit of the church. It is understood that any resources that are purchased become the property of the pastor. The amount should be exclusive of GST as that can be claimed back from IRD, hence the need for the pastor to supply invoice/receipts and a regular reconciliation made. Should the church feel that this suggested level is insufficient then the church can always purchase the required materials itself.

**Hospitality Reimbursement**

The amount of $1,285 per annum. Reimbursement for hospitality conducted outside of the home can only be made against evidence of expenditure. Hospitality within the home may be reimbursed at the rate of $8 for breakfast; $12 for lunch; $17 for dinner; $3.50 for morning or afternoon tea and $14 for a bed. A detailed list showing the breakdown should be provided. It is acceptable to the IRD if both the Hospitality Allowance and the MEA ($3,215) are paid out regularly with the monthly stipend. However, the treasurer should ensure that evidence of expenditure is seen every three months and that any overpayment resulting from failure to evidence expenditure by year-end is refunded to the church.

Note: any unused hospitality allowance may be spent as ministry enhancement and vice versa.

Additional allowances

1. **Cell Phone and internet packages** need to be clearly defined. They are now the preferred communication tools, but can be expensive to run. The Baptist Union does have a very cost effective plan with 2 Degrees.
2. Superannuation:

Pastoral staff can join the Baptist Superannuation Scheme if they are registered Baptist Pastors.

1. Sabbatical and Study Leave

The standard is 11 days per each year worked, need to work 3-5 years before it is able to be claimed and it can be passed on to next employer.

**Note please -** if you have questions on these matters please direct your questions firstly to our accountant Peter McLaren email [peter.mclaren@baptist.org.nz](mailto:peter.mclaren@baptist.org.nz) or phone 09 526 0335.

#### Suggested Youth Levels

Baptist Youth Ministries has formulated a schedule for remunerating Youth Pastors based on the recommended stipend above. A housing component and reimbursements above would be added to these figures. These stipend levels need to be set in discussion with the local youth consultant.

#### Youth Pastor Category

|  |  |  |
| --- | --- | --- |
| Prequalified | 70% | 34,173 |
| Developing (Provisionally registered) | 80% | 39,055 |
| Experienced (registered) | 90% | 43,937 |
| Qualified and Specialized | 100% | 48,819 |

#### Definitions (in-house terms for determining level not job description of person or position)

|  |  |
| --- | --- |
| "Prequalified" | 0 – 2 years  Entry Level  Learner  No Youth Pastors' qualifications or experience  No registration |
|  |
| "Developing"  (Provisionally registered) | 0-2 year  Qualified – Y.P.L. or equivalent  Beginning registration  Employed as Pastor of youth, or experienced as a long-term volunteer prior to employment |
|  |
| "Experienced" (Registered) | 2-5 years  Effectively managing a leadership team  Experienced as a Pastor of Youth  Qualified and registered  Completed suitable YPL, with on-going training |
|  |
| "Qualified and Specialised" | 5 + years  Managing large team of volunteers  Senior Pastor of youth of Associate  Registered  Supervising/training interns  Specialist in their field  Employed in ministry for more than 5+ years (not necessarily same church)  Completed YPL training, with on-going training |
|  |

Qualifications should be at Youth Pastors’ level, not regional leadership training. This qualification could be a Theology Degree, but with a strong Youth Ministry emphasis.

**Note**: Direct queries to gary.grut@baptist.org.nz

#### Suggested Children’s/Family Pastor Salary Package

The Standard Stipend Level:

New stipend levels as recommended by Baptist Union Assembly Council June 2016 for Pastors and Associate pastors, should be used for Children/Family Pastors

* Prequalified 70% of standard stipend $34,173
* Developing (Provisionally registered) 80% of standard stipend $39,055
* Experienced (Registered) 90% of standard stipend $43,937
* Qualified and Specialized 100% of standard stipend $48,819

Definitions (these relate to the training and experience of the children/family pastor and not their job description)

|  |  |
| --- | --- |
| Probationary | Learner - Children and Family Ministry  Entry Level. No qualifications or experience in child or family ministry |
| Experienced | Apprentice - Children and Family Ministry Co-ordinator  Experienced as an employed Children's Pastor or as a long-term volunteer prior to employment  Current participant in Children & Family Ministry Certificate Course or other equally-recognised Children's pastors' training qualification |
| Proven Experience | Children and Family Pastor  Effectively managing a leadership team. Experienced as an employed Children/Family Pastor  Completed suitable Child and Family pastor's training, with on-going training and registration as a Baptist Pastor |
| Qualified and Specialised | Associate Pastor - Children/Family  Managing large team of volunteers.  Supervising/training interns. Specialist in their field  Employed in ministry for more than 5+ years (not necessarily same church)  Completed suitable Child/Family Pastor's training, with on-going training and development. Qualifications should be at Child/Family Pastors' level, not regional or workshop leadership training. This qualification could be a Theology Degree, but with a strong Child/Family ministry emphasis. |

These stipend levels need to be set in discussion with the prospective Children's/Family Pastor as part of the employment process. A housing component and reimbursements above would be added to these figures.

Direct queries to: karen.warner@baptist.org.nz